

**State of Indiana
Department of Natural Resources
Division of Water**

Department Memorandum

Date: January 30, 2009

**To: Natural Resources Advisory Council
From: Division of Water**

**Re: AGENDA ITEM February 11, 2009
Natural Resources Advisory Council Meeting**

Consideration of Hearing Officer Report in Preparation for Advisory Council Summarizing Public Meetings and Making Recommendations to the Natural Resources Commission Regarding Request by Eagle Pointe Golf Resort for a Water Sale Contract from Lake Monroe Under IC 14-25-2 and 312 IAC 6.3; Administrative Cause No. 09-031V

The Division of Water will report to the Advisory Council, during its February meeting, concerning the results of multiple public hearings held under IC 14-25-2 and 312 IAC 6.3. The hearings reviewed a request by Eagle Pointe Golf Resort for an amended contract for the provision of minimum quantities of stream flow or for the purchase of water, on a unit pricing basis, from Lake Monroe. Attached is a memorandum which outlines the public hearings held by the Division of Water on behalf of the Advisory Council. The substance of the memorandum is recommended to the Advisory Council as its report to the Commission.

**State of Indiana
Department of Natural Resources
Division of Water**

Department Memorandum

Date: January 29, 2009

To: Natural Resources Commission

From: Natural Resource Advisory Council

**Subject: Summary of Public Meetings held for contract application
MWS- 09-1 between R.N. Thompson Eagle Pointe Golf Resort and the State
of Indiana for withdrawal of water from Monroe Lake for the purpose of golf
course & grounds irrigation.**

The State of Indiana is authorized under Indiana Code 14-25-2 to sell water on a unit pricing basis for water supply purposes or low-flow augmentation from the water supply storage in reservoir impoundments, or portions of the impoundments that are financed by the State. The Department of Natural Resources, Division of Water, acts as administrator for these contracts. The provisions of IC14-25-2 and Rule 312 IAC 6.3 require that a written application for contract request be submitted to the Division, and that public meetings be held to gather testimony on the request. The Division director shall appoint a Department employee to serve as hearing officer for the meetings. No longer than thirty (30) days after a public meeting is held, the Advisory Council shall submit to the Commission a report summarizing the public meeting.

Contract Request Summary

R.N. Thompson Eagle Pointe Golf Resort has held a contract with the State of Indiana for water supply from Monroe Lake since 1996. The contract was transferred to R.N. Thompson when they acquired ownership of the resort that year from The Pointe Associates, Limited Partnership. The Pointe Associates held the contract from 1976 until 1996. R.N. Thompson Eagle Pointe Golf Resort is requesting an annual limit of 85 Million Gallons (MG), a volume equal to an average withdrawal of 0.56 Million Gallons per Day (MGD) based on a 150 day irrigation season. Eagle Pointe is requesting the contract for a (10) year term. Their most recent contract expired April 22, 2006. The contract generated an average of \$1,400 per year in revenue.

In accordance with Rule 312 IAC 6.3-3-1, a written request submitted to the Division of Water must include the following information:

- 1) **Contract Applicant:** R.N. Thompson Eagle Pointe Golf Resort
- 2) **Proposed Use:** Irrigation of golf course and resort grounds, filling of waterfall feature
- 3) **Location of Withdrawal and Proposed Use:** Eagle Pointe Golf Resort grounds on northwest shore of Monroe Lake
- 4) **Proposed Term:** Ten (10) years
- 5) **Requested Withdrawal:** 85 Million Gallons (MG) per Year; Average Daily Limit of 233 Thousand Gallons (TG).
- 6) **Measurement:** Flow Meter (existing)
- 7) **Summary of Alternatives and Justification:** Eagle Pointe has no reasonable alternative for water supply due to limited ground water availability and other sources of water in the area. The close proximity of Monroe Lake and the existence of equipment for withdrawal, processing and transport of water from the lake make it the most economically feasible source of water supply.
- 8) **Contingency Plan:** Waived. Eagle Pointe agrees to withstand the results of being unable to receive water from Monroe Lake during times of drought or other emergency per water allocation factors set forth in 312 IAC 6.3-4.
- 9) **Conservation Plan:** During periods of drought or other emergency Eagle Pointe will adjust or cease water withdrawals for irrigation of grounds and will adjust or cease flow in the waterfall feature.

Monroe Lake Available Water Supply Storage:

Total water supply storage in Monroe Lake is between elevations 515 and 538 feet, National Geodetic Vertical Datum, 1929 adjustment, measured at the dam. The State of Indiana has the right to 100% of this water supply storage, an amount estimated to be 160,000 acre feet, for the purposes of water supply and low-flow regulation (provided the designated space is physically available). Yield from this volume of water supply storage is estimated to be 122 MGD. The sum of annual limits of all current water supply contracts for withdrawal or release from Monroe Lake is currently 16.85% of the available water supply volume. The addition of this pending request would bring the total committed annual contractual limits to 17.02% of the available volume in the lake.

Public Meetings Summary and Public Comment

Public meetings were conducted by Division of Water personnel Jim Hebenstreit, Monique Riggs and Mark Basch to gather testimony on the application for Contract Number MWS-09-1 between R.N. Thompson Eagle Pointe Golf Resort and the State of Indiana. The meetings took place in the following two (2) counties, as required by IC 14-25-2-2.5 (h) and 312 IAC 6.3-3-3:

- December 12, 2008 - Monroe County, Bloomington, IN; and
- January 29, 2009 - Brown County, Nashville, IN.

A brief presentation was prepared outlining the provisions of IC 14-25-2 and Rule 312 IAC 6.3 which govern the Department's authority to enter into water supply contracts. Available water supply data was provided for Monroe Lake as well as established water supply priorities, the nature of the pending request and the application specifics, factors the Natural Resources Commission may consider during review and acting upon a request, and the process by which the Commission makes a determination to deny, condition, or approve a contract.

No public attendance occurred at either of the two meetings and no public comment was received.

Conclusions and Recommendations:

The ten (10) year contract term and annual withdrawal limit of 85 MG will allow R.N. Thompson Eagle Pointe to continue to irrigate current grounds and fill a waterfall feature, as well as to allow for planning of possible future expansion during the contract term. Division of Water staff believe that the volume of water available from Monroe Lake is adequate to satisfy the annual withdrawal limit of 85 MG for the ten (10) year term of the contract as this volume represents only a small fraction of the 122 MGD yield available in Monroe Lake. The total volume of water committed by contractual agreements would be less than 20% of the designed water supply capability of Monroe Lake. Potential impact to the recreational facilities of the reservoir is expected to be negligible. Therefore, the Advisory Council recommends that this contract request be approved.